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**FISCAL IMPACT STATEMENT**

**LS 6733**

**BILL NUMBER: SB 314**

**NOTE PREPARED: Dec 31, 2005**

**BILL AMENDED:**

**SUBJECT:** Soil and Water Conservation Districts.

**FIRST AUTHOR:** Sen. Nugent

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** This bill establishes water quality protection as a legislative policy. It makes changes to the membership of the Soil Conservation Board and the advisory members.

The bill requires the board to conduct a conservation needs inventory and hold meetings throughout the state. It allows a waiver of the ten acres of land requirement to be waived for elected soil and water conservation district supervisors. The bill removes the requirement that the nominees for elected supervisors must exceed the vacancies. It allows the board to appoint associate supervisors for soil and water conservation districts.

The bill also adds information that must be included in annual reports. It requires the Department of Agriculture to implement a geographic information system for each county. The bill allows the Clean Water Indiana Program to provide financial assistance to soil and water conservation districts. The bill makes technical corrections.

**Effective Date:** July 1, 2006.

**Explanation of State Expenditures:** Under existing law, the Soil Conservation Board consists of nine members, six of whom are appointed. Appointed members are entitled to reimbursement for travel, lodging, meals, other expenses, and per diem. Expenses for the Board during 2005 equaled about \$12,000. The Board met 10 times in 2005.

Under the bill, the Board will consist of seven members, all of whom are appointed and would receive per diem and reimbursement for traveling expenses. Because the bill increases the number of members on the Board who

will receive per diem and reimbursement for travel, expenses will increase by an estimated \$2,000.

Under the proposal, the Governor may also appoint advisory members to the Board upon the recommendation of the Board. This provision will have no fiscal impact.

*Background.* The director of the Division of Soil Conservation is the secretary of the Board. The Board relies on the Division of Soil Conservation in the Indiana State Department of Agriculture (ISDA) to provide staff assistance. The Board provides guidance to and coordination among the 92 soil and water conservation districts (SWCDs). The Board also makes appointments of SWCD supervisors, makes decisions on allocation of state-appropriated funds to SWCDs, and assists SWCD supervisors in carrying out their responsibilities. The Board also secures the assistance of federal and state agencies for the SWCDs.

*Relocation of the Board.* The bill relocates the Board to the ISDA. This provision will have no impact because the Board is currently located in the ISDA.

*Inventory of Conservation Needs.* In addition to its other duties, the proposal requires the Board to conduct an inventory of conservation needs for planning purposes and to inform the General Assembly. The Board will be able to accomplish this task given its existing resources. The Board must also hold meetings in locations throughout Indiana. This provision could affect travel expenditures; however, the overall impact is not expected to be significant.

*Associate Supervisors.* The Board may appoint associate supervisors to assist in performing duties in each district. Associate supervisors may be reimbursed for approved expenses but are not entitled to per diem. This provision will not have a significant fiscal impact.

*Annual Report.* The bill provides that the ISDA must prepare an annual report of the Division of Soil Conservation's expenditures and accomplishments that contains a proposed business plan. Implementation of this provision can be accomplished with existing resources.

*Geographic Information Systems (GIS).* The bill provides that the DOA must use money appropriated by the General Assembly to implement and supplement a program of modern soil surveys and geographic information systems (GIS) for each county as an essential tool in land conservation. Currently, the ISDA is just required to provide the surveys. This provision will result in no significant fiscal impact.

*Training Provided by the Division of Soil Conservation.* The bill adds conservation district supervisors and staff to the list of individuals to whom the Division must provide professional assistance. The bill also provides that the Division must provide professional assistance to districts in conservation needs assessments, program development, and program evaluation. The Division will be able to accomplish these tasks given its existing budget.

*Clean Water Indiana (CWI).* The bill includes SWCDs in the list of entities that can receive funding from the CWI program. The districts are in addition to land occupiers and conservation groups. This provision conforms with current practice.

*Clean Water Indiana Fund.* The bill provides that in addition to other uses, money in the fund may be used for the implementation of GIS or similar technology. This provision will have no fiscal impact because it does not affect total funding.

*Background.* The 2005 annual funding from Cigarette Tax revenues that the Board allocated equaled approximately \$3.7 M. In July 2005, the Board allocated \$1.8 M for regional technical assistance and regional staff. The Board allocated \$1.9 M to SWCD support. Of this \$1.9 M, \$920,000 was the SWCD match; 600,000 went to the federal Conservation Reserve Enhancement Program (CREP); and \$380,000 went to SWCD grants. During the transfer of the Division of Soil Conservation from the DNR to the ISDA, the staff was reduced from about 70 staff to the existing staff of 45.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** See *State Expenditures* above.

**State Agencies Affected:** DNR, DOA.

**Local Agencies Affected:** SWCDs.

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